

K-12 Health Benefits Legislation – Brief summary

Legislative goals

- Improve transparency of health benefit plan claims and financial data.
- Create greater affordability and equity for full family health insurance coverage.
- Promote health care innovations and cost savings and significantly reduce administrative costs.
- Support greater parity in employee health insurance premiums between state and K-12 employees.
- Retain collective bargaining.

Employees

- Each employee pays a minimum premium charge.
- Employee premiums are structured to ensure employees selecting richer benefit plans pay the higher premium.

School district and health plan providers

- Must offer a plan with high deductible and health savings account and a plan with full-time premium the same as that for state employees
- Must make progress toward more affordable full family insurance coverage; ratio of 3:1
- School district and health benefit provider data reporting regarding health plans and plan requirements is clarified, expanded and enforceable; data reported to the Office of the Insurance Commissioner.

Office of the Insurance Commissioner

- Annual reporting beginning December 1, 2013, of summary district and benefit provider data.
- Insurance Commissioner to take enforcement actions provided bylaw for benefit providers and third party contractors not complying with data requirements.

Health Care Authority - By June 1, 2015, study and report on:

- The appropriate target for affordable full family coverage;
- Pros/cons of a single consolidated school employee health benefits purchasing plan;
- Pros/cons of consolidating K-12 health benefit purchasing through the public employees' benefits board program;
- Possible separation of purchasing health benefit plans for certificate and classified employee groups;
- Provide analysis of implications, impacts, costs, timelines, and other factors to be considered.

Joint Legislative Audit and Review Committee - By December 31, 2015, report to the legislature on the following:

- Review of school district health benefit data and report progress by school districts and their benefit providers in meeting legislative goals.
- Report on the status of individual school districts health insurance plans; provide a performance grant to those districts achieving highest performance.
- If districts have not made adequate progress on the legislative goals, recommend and develop implementing legislation for the 2016 legislative session regarding:
 - legislative or agency actions to help remove barriers to improvement;
 - consolidated school district health insurance purchasing into either a new school employees health benefits plan or the state employees benefits plan
- The legislature to take action to implement the recommendations or alternatives in the 2016 session.